

FISCAL NOTE

HB 252 - SB 225

March 13, 2003

SUMMARY OF BILL: Provides that counties with a population of 800,000 or more (Shelby County) may allocate the bond proceeds by the county to a special school district only if the facility for which the bonds were issued is located in that district.

Under current law, bond proceeds are to be turned over to the county trustee and kept separate from other funds and disbursed only for the purposes stated in the bond resolution. In counties with a city school system or a special school district, the bond proceeds must be allocated among the county and city or special school district based upon the average daily attendance ratio. The funds received by the city system or special school district must be kept separate from other funds and used in the same manner and purpose as provided for the county funds to be used. A city system or special school district may waive its right to all or part of any funds due and return the funds to the county trustee for the purposes originally provided.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Any impact would only occur if a school district did not have a facility in that district for which the bonds were issued. The special school district would not be allocated any of the bond proceeds and such proceeds would remain with the county and used for purposes provided for by the bond resolution.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director